

VILLAGE OF CHANNAHON

BUSINESS RETENTION & EXPANSION 2015 RESULTS REPORT



4.20.16

SECTION 1: INTRODUCTION

Launched in May, 2015, the Channahon Business Retention and Expansion (Channahon BR&E) program was established as a community-wide effort to better understand the needs and concerns of, as well as opportunities for, the Channahon business community. These findings will have the Village of Channahon and the Channahon Economic Development Corporation set priorities for projects that address these needs and ultimately establish the long-term goals of stabilizing and increasing the profitability of the local businesses here in Channahon.

The Channahon BR&E program is driven by a Task Force committee that is dedicated to supporting the retention, growth and profitability of the Channahon community. When a community commits to establishing a dedicated BR&E program it commits to working with a group of businesses that are important to the future of the local economy and to those who are already invested in the community.

On-going communication and collaboration is a key component of the Channahon BR&E Program. Collectively, by evaluating and helping to address present business challenges, and local businesses' future plans, the Village aims to create a strong local economy where businesses can grow and thrive.

CHANNAHON COMMUNITY PROFILE

10 minute drive time

Channahon Population

30,953

Median Age

35.3

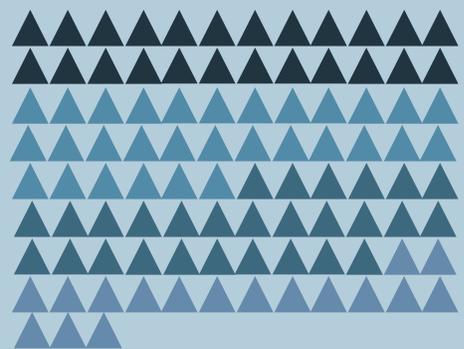
Median Household Income

\$83,108

Per Capita Income

\$31,329

Population by Age



■ 25-34 (24%) ■ 35-44 (30%)
 ■ 45-54 (27%) ■ 55-64 (18%)

Business Summary

Top 4 Industries

13.90%

Admin. & Support,
Waste Manag. &
Remediation

11%

Unclassified
Establishments

10.70%

Construction

8.10%

Retail Trade

SECTION 2: BR&E BACKGROUND

The Business Retention and Expansion Program took the pulse of businesses in the Channahon area during the late summer and early fall of 2015. The Village of Channahon and the Channahon Economic Development Corporation received feedback from 25 businesses through on-site visits and surveys. This report provides information on the background, key themes, results and recommendations of the 2015 BR&E program.

GOALS & OBJECTIVES

The overall goal of the Business Retention & Expansion Program is to build and establish long-term goals of stabilizing and increasing the local economy by developing and implementing a strategy to build a database of information that identifies the issues and concerns among Channahon's merchants.

The goals and objectives of the BR&E Program are to:

1. Find the particular needs and issues of individual businesses during visitations by analyzing the data collected from each survey.
2. Enhance the competitiveness and business climate of the community.
3. Identify and resolve immediate issues or concerns.
4. Increase communication and cooperation between the businesses and the Village.
5. Demonstrate municipal support of business.
6. Increase visibility of ongoing or new local economic and business development initiatives.

BUSINESS VISITATION PROCESS

A community business directory was updated and a random sampling of businesses were selected from each industry sector. Among the 190 businesses in Channahon, a total of 25 businesses were asked to participate in an onsite visit providing a 13% sample of Channahon's business community. As for the businesses that were not randomly selected, they were still encouraged to participate by completing the BR&E survey.

PROJECT SCOPE

From May 26, 2015 to November 19, 2015, approximately 25 Channahon businesses, in almost every sector, were randomly selected and contacted to participate in an onsite visit and survey. Survey data from all 25 company interviews have been included in the analysis and overall results presented in this report.

SECTION 3: BUSINESS INFORMATION

The majority of the participating businesses have been in operation in Channahon for 11 to 25 years (36%). (Figure 1)

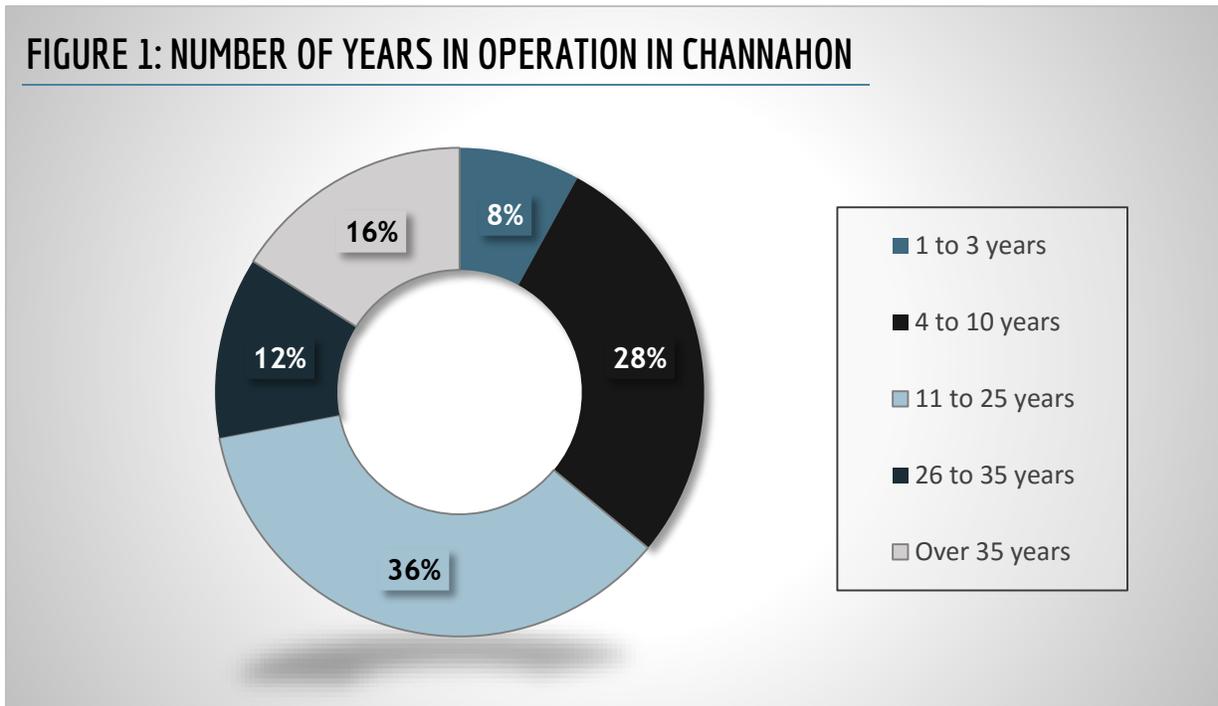
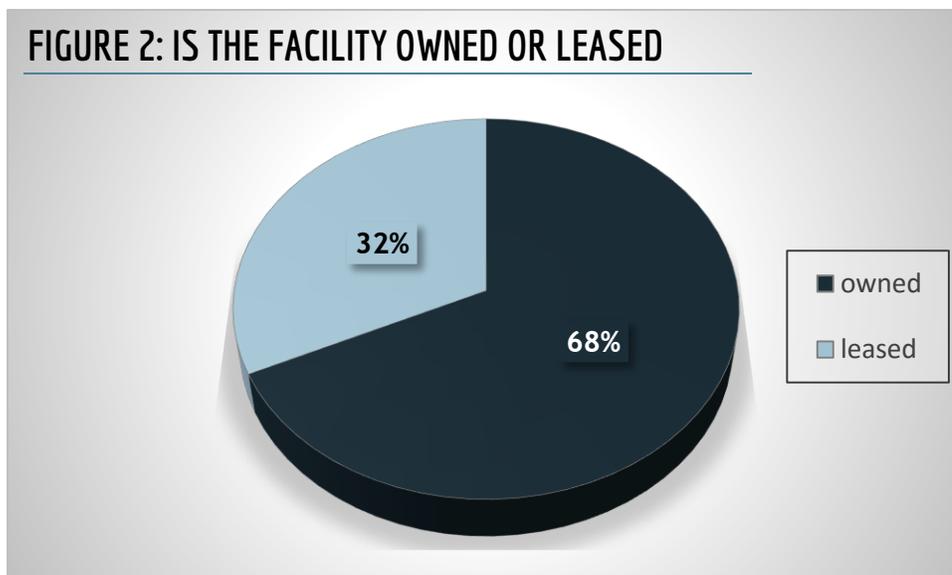
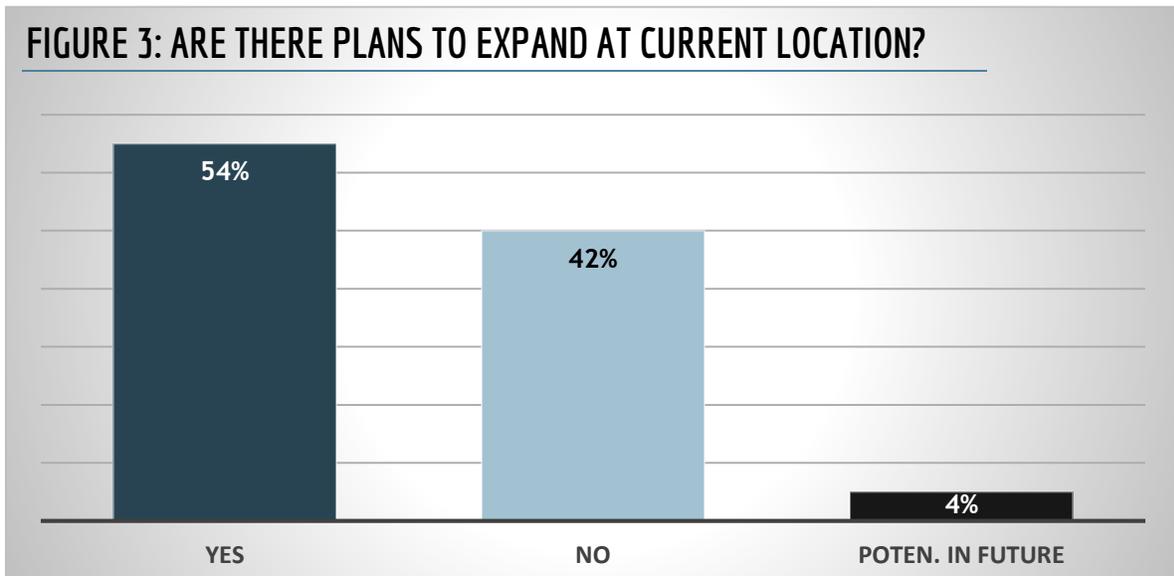


Figure 2 shows that majority of the businesses surveyed, own their facility (68%). (Figure 2)

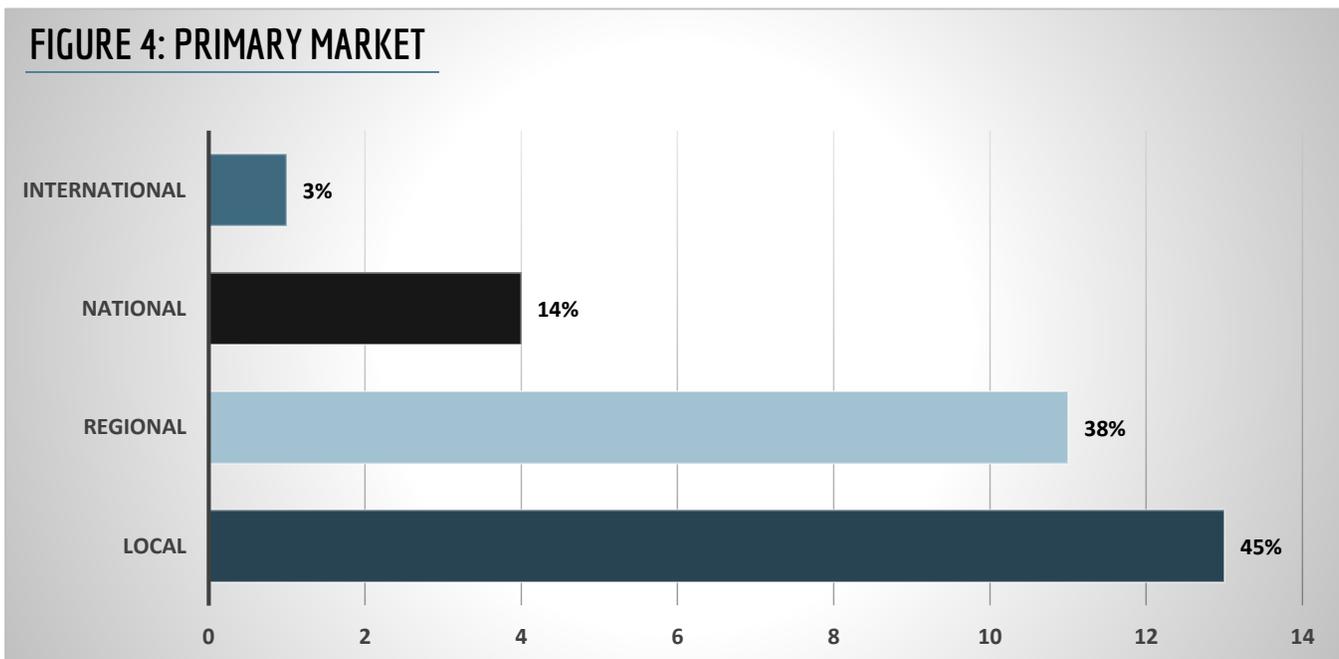


SECTION 3: BUSINESS INFORMATION

54% of businesses reported that there are plans to expand at their current location. Further breakdown of these companies reveals that out of the businesses planning to expand, **17%** said they are expecting 21+ new jobs to be created and **83%** said they are expecting 1 to 10 new jobs to be created. (**Figure 3**)

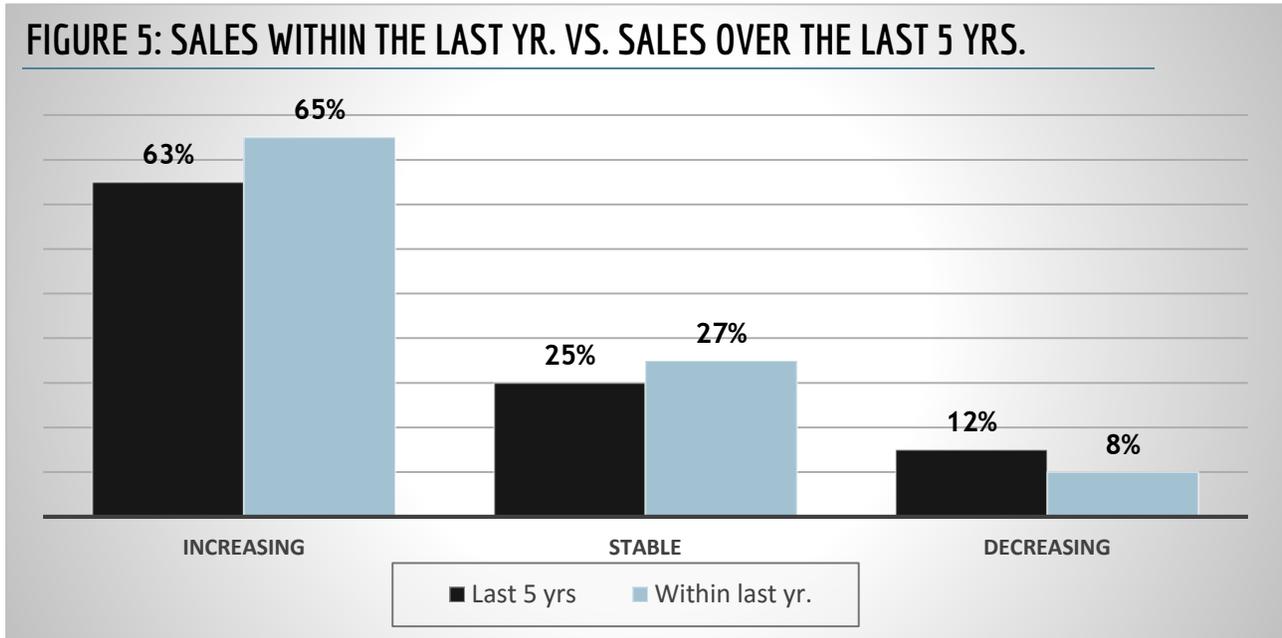


In **Figure 4**, **45%** of all businesses indicated that their primary market was local. Additionally, **38%** of businesses indicated that their primary market was regional while the remaining businesses said their primary market was **14%** national and **3%** international, respectively.



SECTION 4: PRODUCTS/SERVICES AND MARKET

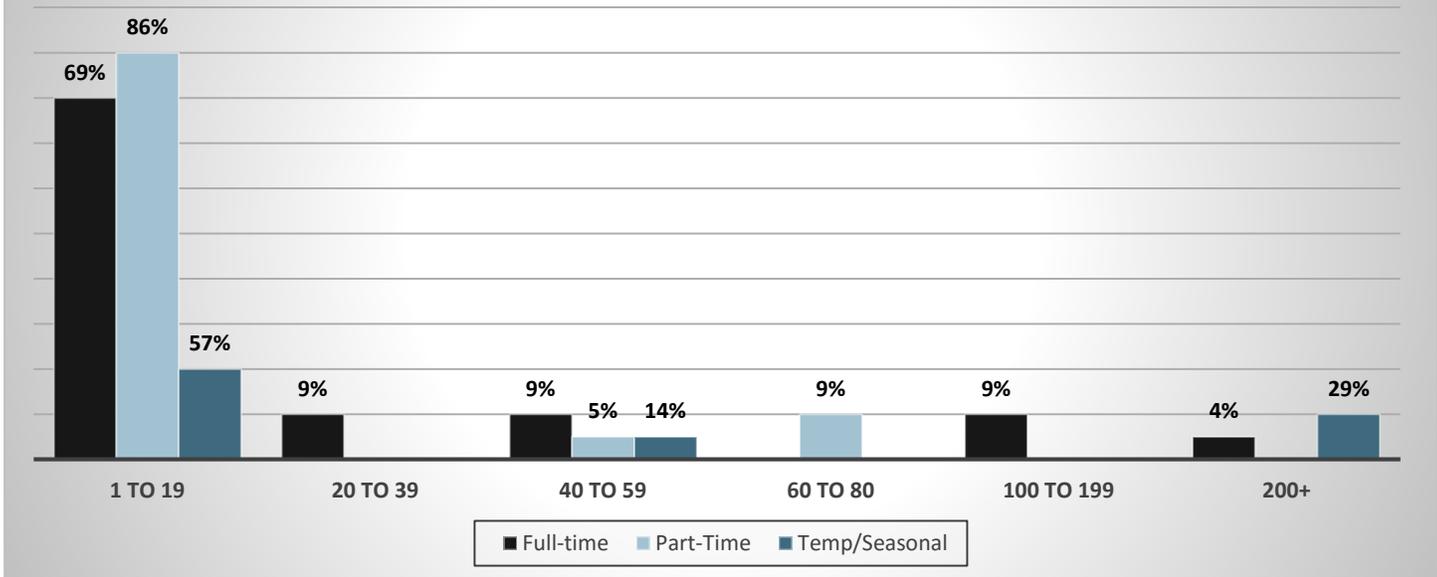
63% of businesses reported sales within the last 5 years have been increasing. While **25%** reported that sales have been stable, and **12%** reported that sales have been decreasing. **65%** of businesses reported that sales have been increasing within the last year. While **27%** stated that sales are remaining stable, and **8%** reported that sales are decreasing. (**Figure 5**)



SECTION 4: WORKFORCE

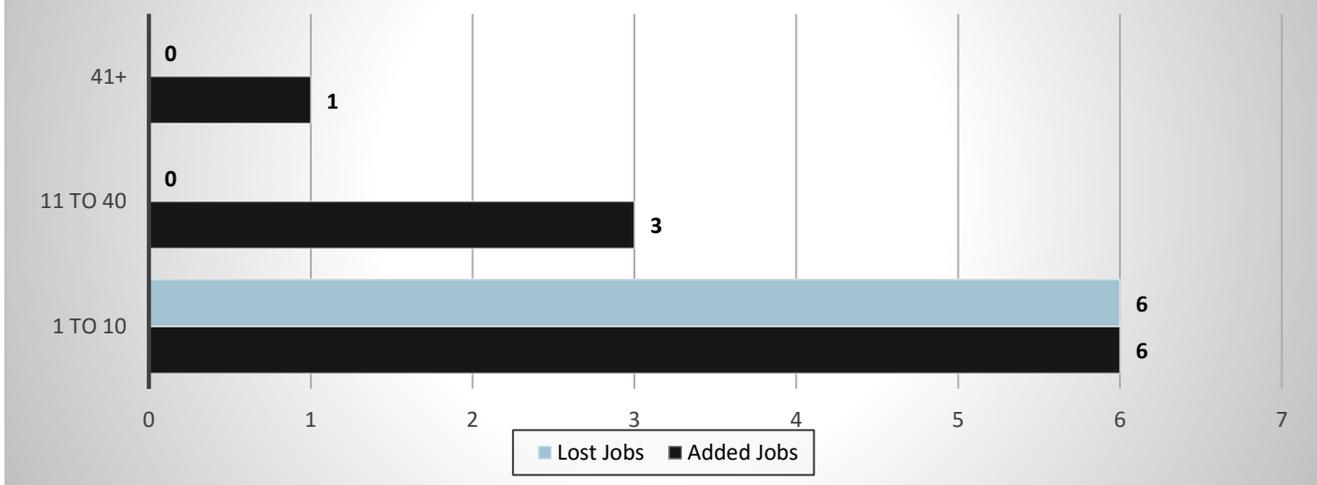
The businesses interviewed ranged in size of workforce across sectors. **69%** of businesses reported employing 1 to 19 full-time employees, **86%** reported employing 1 to 19 part-time employees, and **57%** reported employing 1 to 9 temp/seasonal employees. (**Figure 6**)

FIGURE 6: NUMBER OF EMPLOYEES



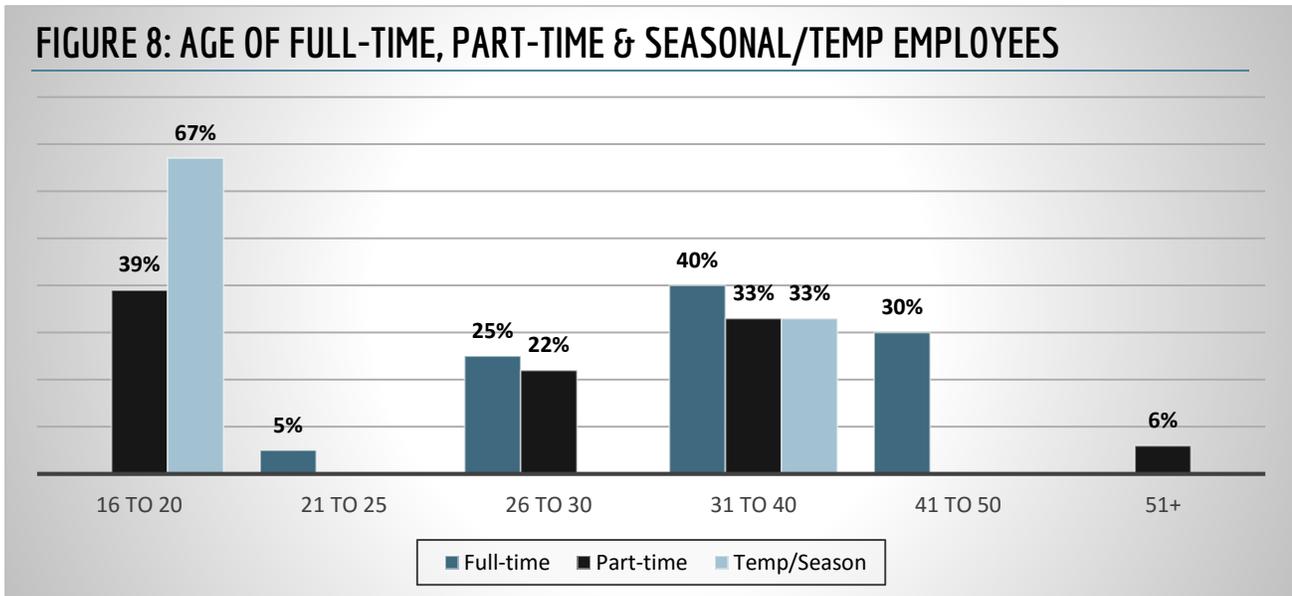
Over the last three years 6 businesses reported adding between 1 to 10 new jobs, 3 businesses reported adding between 11 to 40 new jobs, and 1 business reported adding 41+ new jobs. While over the last three years 6 businesses reported losing between 1 to 10 jobs. (**Figure 7**)

FIGURE 7: NUMBER OF JOBS ADDED VS. LOST IN THE LAST 3 YRS.

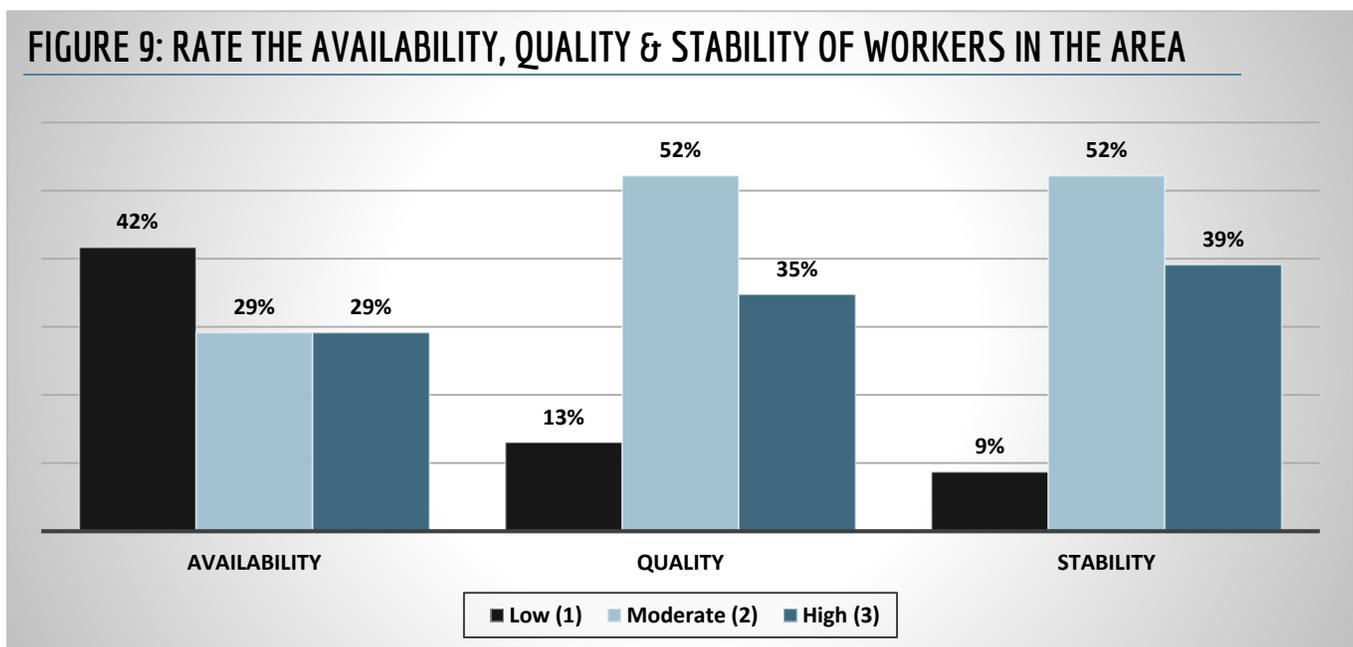


SECTION 4: WORKFORCE

From the businesses interviewed, majority reported that **40%** of their employees average in age between 31 to 40 years old, while majority of their part-time employees ranged from 16 to 20 years old (**39%**). Also, majority of the seasonal/temporary employees ranged from 16 to 20 years old (**67%**). (**Figure 8**)

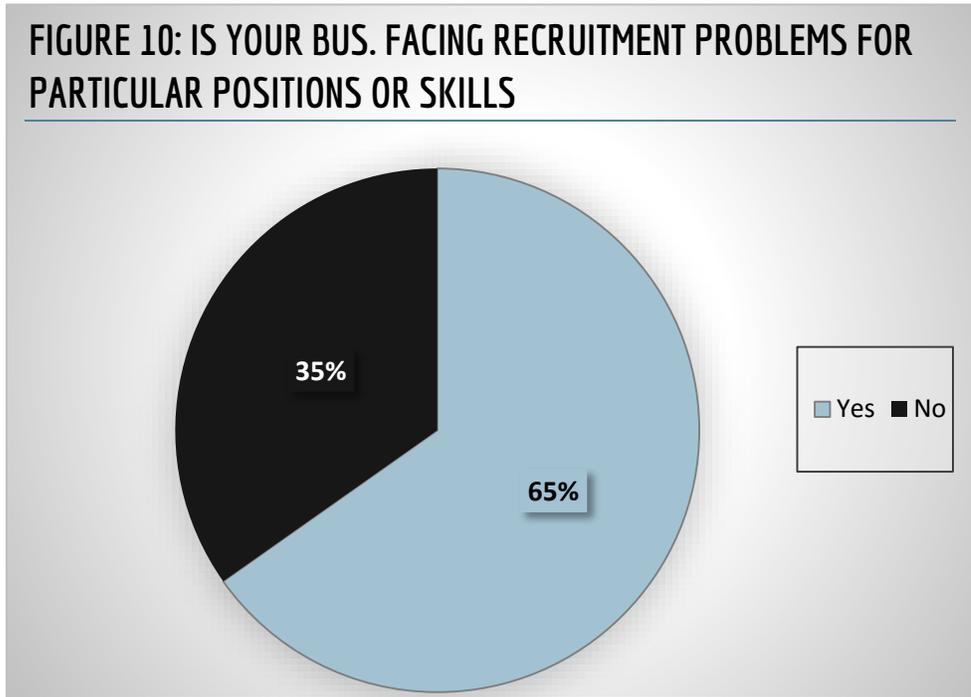


Out of the businesses surveyed, they were asked to rate the availability, quality and stability of workers in the Channahon area. Majority of businesses (**42%**) rated the availability of workers in this area as **low**, while majority of businesses rated the quality **moderate (52%)** and stability **moderate (52%)**. (**Figure 9**)

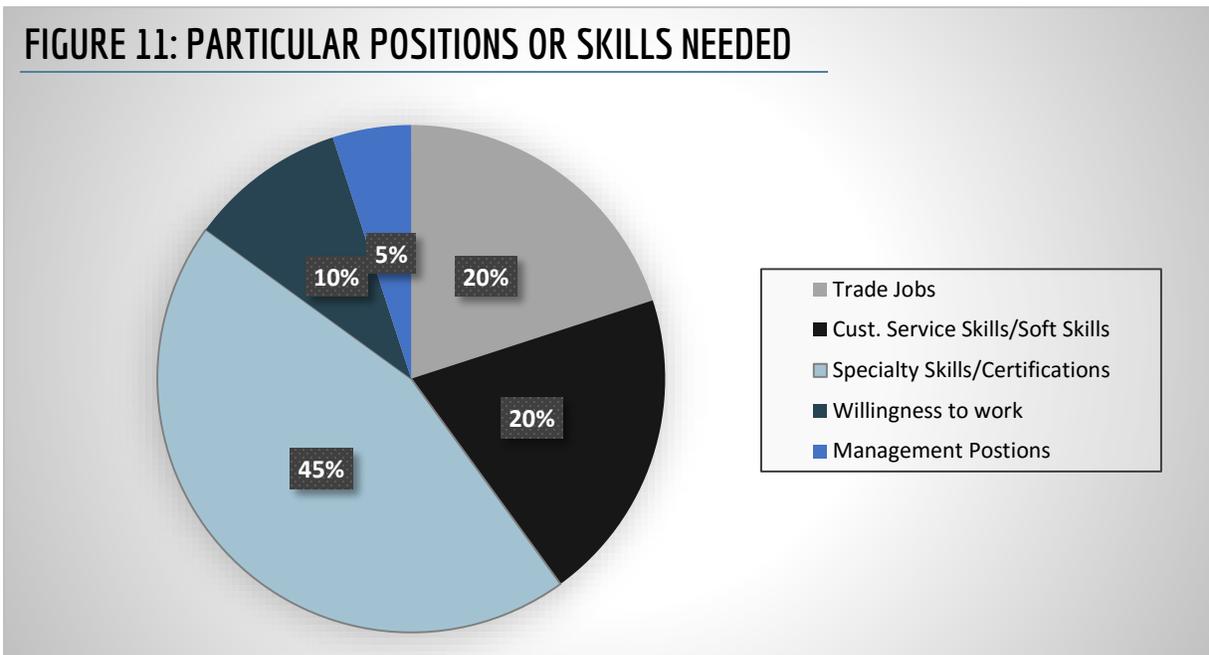


SECTION 4: WORKFORCE

Figure 10 reports that **65%** of businesses stated that they are facing recruitment problems for particular positions or skills.



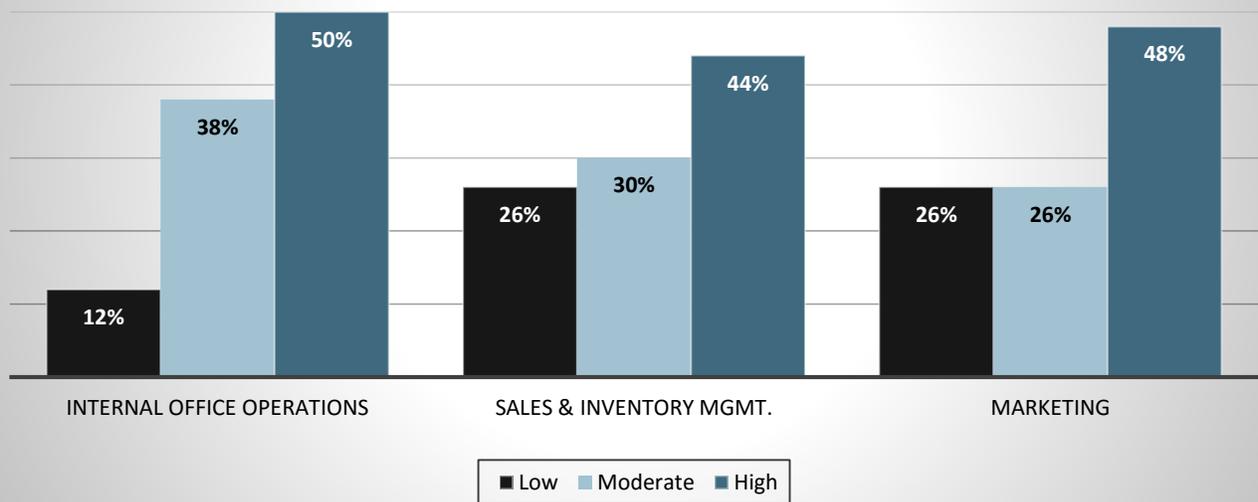
Out of that **65%** of businesses facing recruitment problems, **Figure 11** reports that **45%** of those businesses stated they had trouble recruiting employees for Specialty Skills and Certifications, **20%** for Trade Jobs and **20%** for Customer Service and Soft Skills.



SECTION 5: TECHNOLOGY

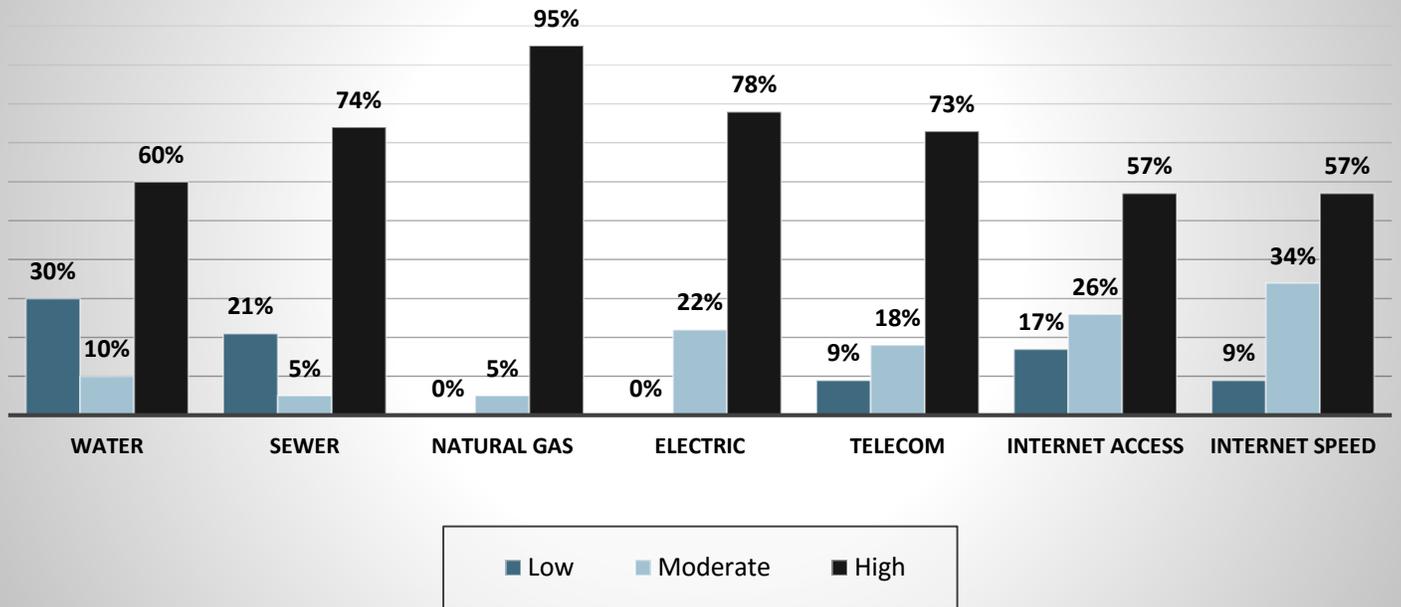
The businesses interviewed were asked to rank their company's use of technology as low, moderate, or high for Internal Office Operations, Sales and Inventory Management and Marketing. **50%** of businesses reported that their use of technology for Internal Office Operations were high, **38%** said Moderate, and **12%** said Low. **44%** of businesses stated their use of technology for Sales and Inventory Management was high, while **30%** said moderate and **26%** said low. **48%** reported their use of technology for Marketing was high, **26%** reported moderate and **26%** reported low. (**Figure 12**)

FIGURE 12: RANK YOUR COMPANY'S USE OF TECHNOLOGY FOR THE FOLLOWING:



SECTION 6: UTILITY SERVICES

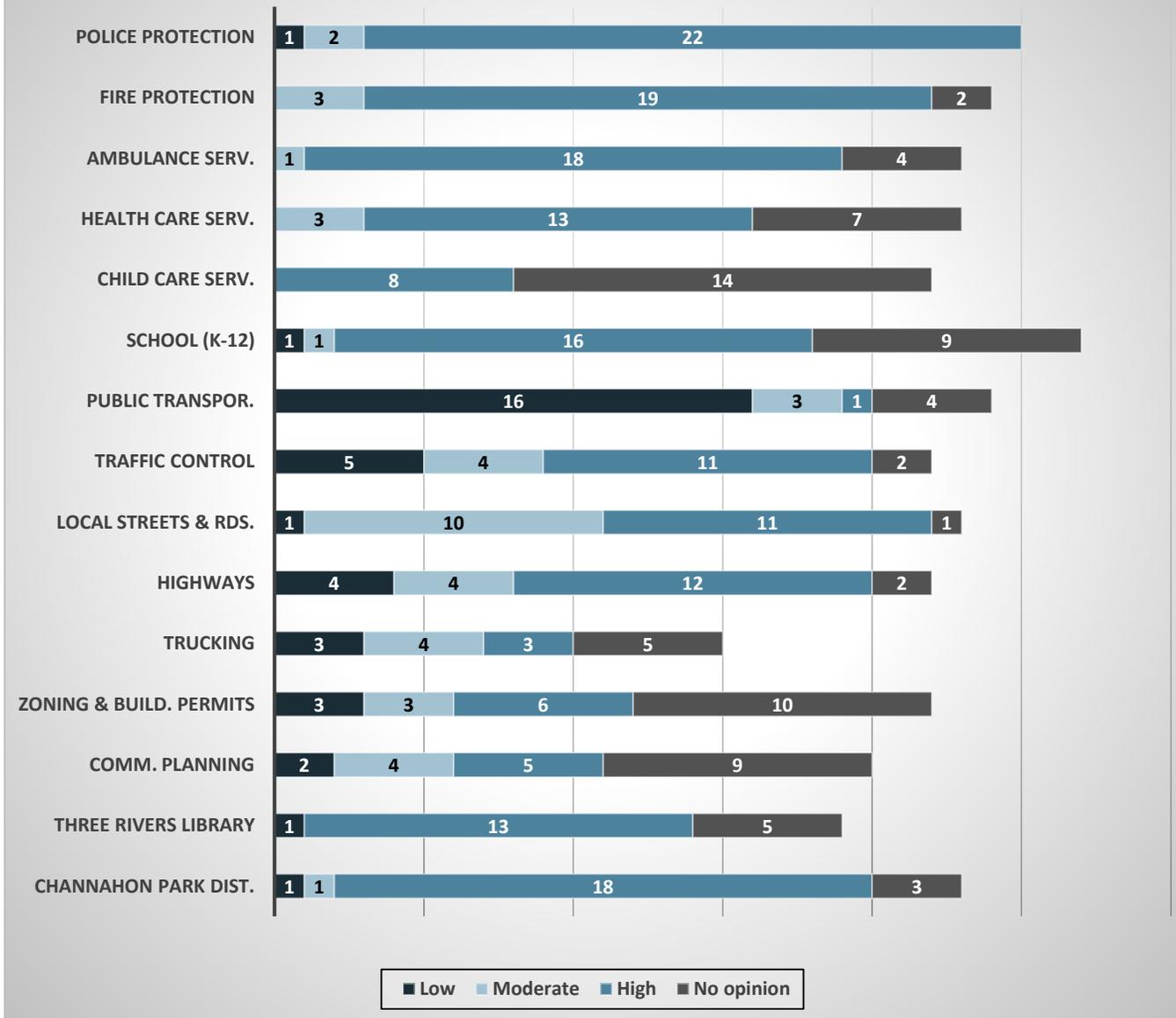
FIGURE 13: RATE YOUR SATISFACTION WITH THE FOLLOWING UTILITY PROVIDERS:



SECTION 6: COMMUNITY SERVICES

The businesses were asked to rate a variety of community services as low, moderate, high or no opinion. Results from the rating scale revealed that Police Protection, Fire Protection, Ambulance Paramedic Service, Health Care Service, Schools, Highways, the Park District and Three Rivers Library all show high levels of satisfaction. Public Transportation and Traffic Control showed the lowest levels of satisfaction.

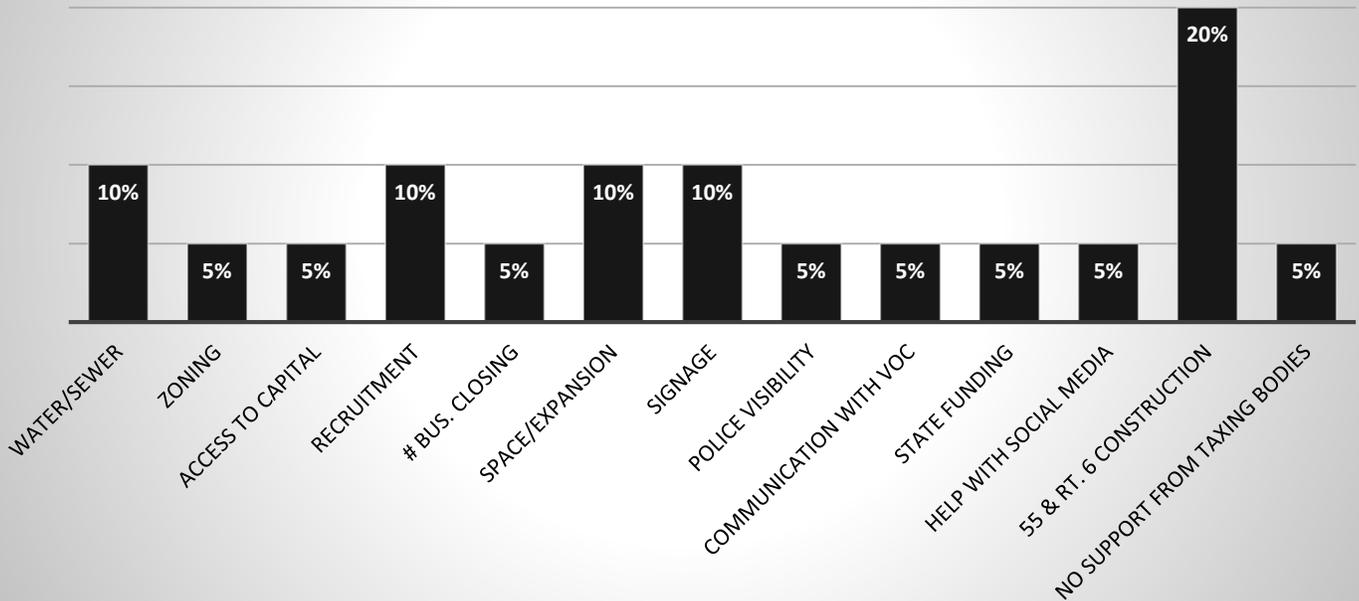
FIGURE 14: RATE THE QUALITY OF THE FOLLOWING SERVICES PROVIDED BY THE COMMUNITY:



SECTION 6: ADDITIONAL INFORMATION

Out of the businesses surveyed, they were asked if they had any immediate needs or concerns. **71%** of the businesses answered "yes" and only **29%** answered "no". Out of the 71% of businesses who responded yes, they do have immediate business needs or concerns, **20%** of the businesses stated that they are concerned with the construction at I-55 and US Rt. 6. **10%** stated water/sewer, **10%** Recruitment, **10%** Space/Expansion, and **10%** Signage.

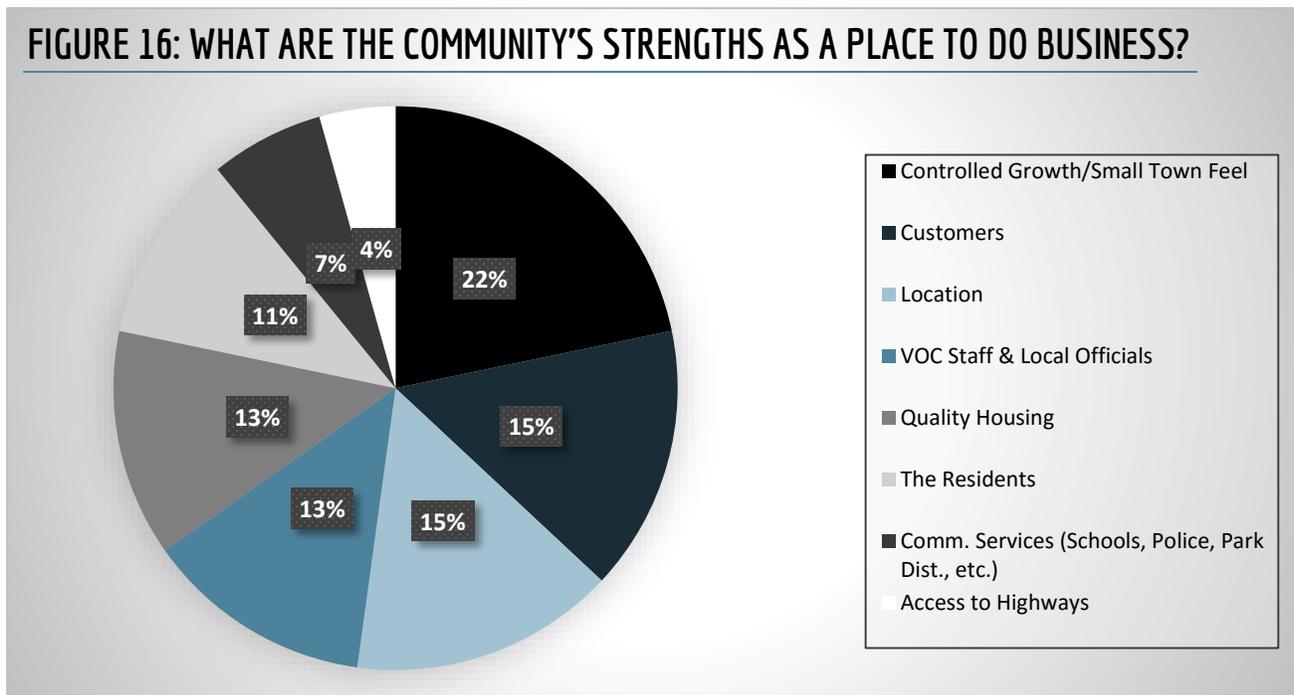
FIGURE 15: DO YOU HAVE ANY IMMEDIATE BUSINESS NEEDS OR CONCERNS?



SECTION 6: ADDITIONAL INFORMATION

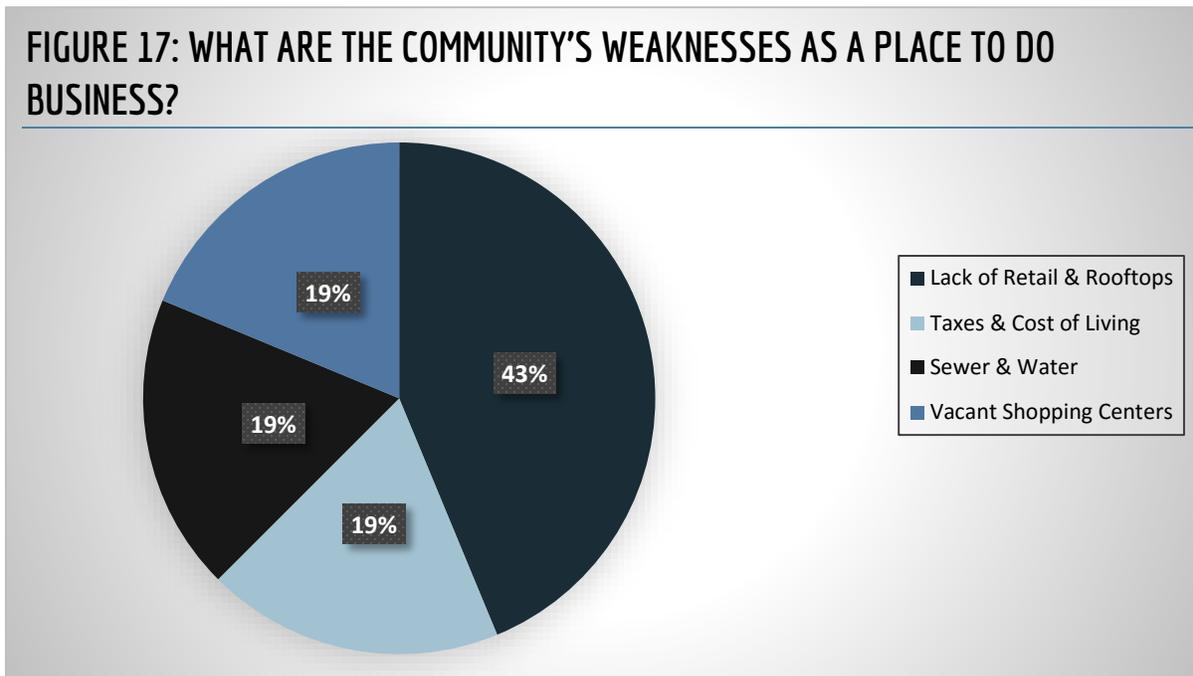
The businesses were asked what the community's strengths are as a place to do business. **22%** of the businesses stated Controlled Growth and Small Town Feel, **15%** stated Customers, **15%** stated the Location, **13%** said Residents, and **13%** said the Quality Housing. (**Figure 16**)

FIGURE 16: WHAT ARE THE COMMUNITY'S STRENGTHS AS A PLACE TO DO BUSINESS?



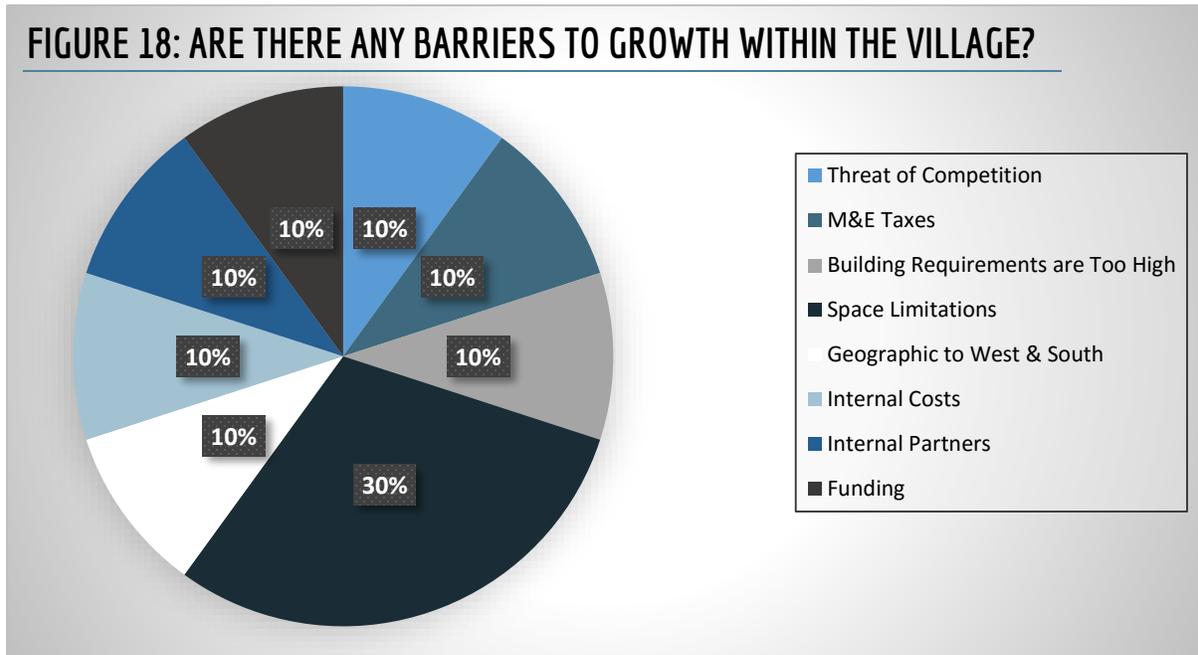
43% of businesses stated that the community's biggest weakness as a place to do business is the lack of Retail and Rooftops. (**Figure 17**)

FIGURE 17: WHAT ARE THE COMMUNITY'S WEAKNESSES AS A PLACE TO DO BUSINESS?



SECTION 6: ADDITIONAL INFORMATION

Figure 18 shows that majority of the businesses surveyed stated that they believe the biggest barrier to growth within the Village is Space Limitations (**30%**).



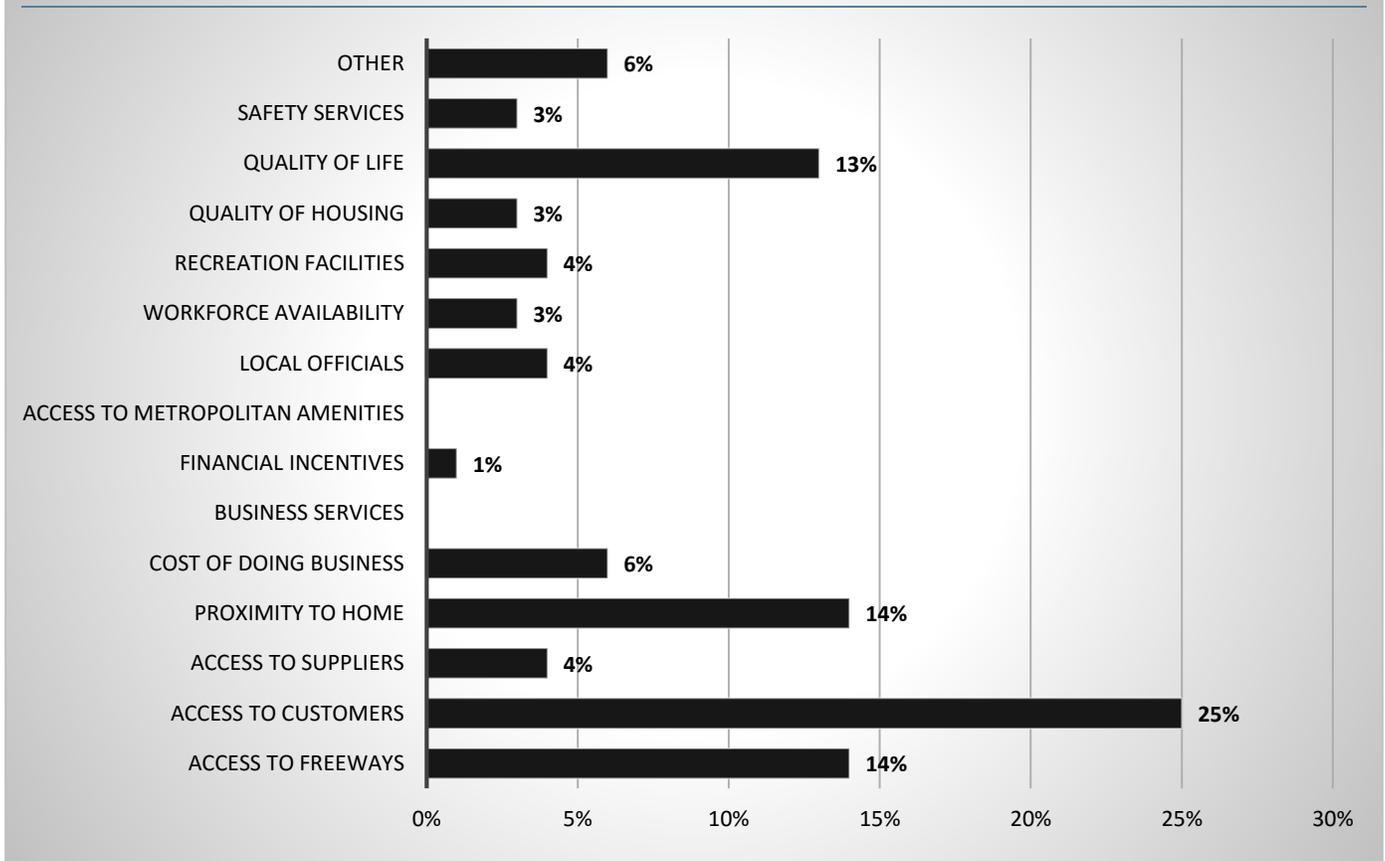
When asked what activities/initiatives can the Village and CEDC do to support or enhance local businesses, **22%** of businesses indicated that they would like to see more events for businesses. **19%** stated that they would like the Village to offer workforce incentives. **14%** of businesses stated that the Village's development requirements are too high, and another **14%** said they would like the Village and CEDC to improve communication with the local business community. (**Figure 19**)

Activities/Initiatives the Village & CEDC can do to Support Local Businesses (Figure 19)	%
Events for Businesses	22%
Offer Workforce Incentives	19%
Req. for Development too High	14%
Communication	14%
Be More Business Friendly	8%
Bring Prospects to Area	7%
Research Grants	4%
Maintain Home Values	4%
Traffic Control	4%
Encourage to Shop Local	4%

SECTION 6: ADDITIONAL INFORMATION

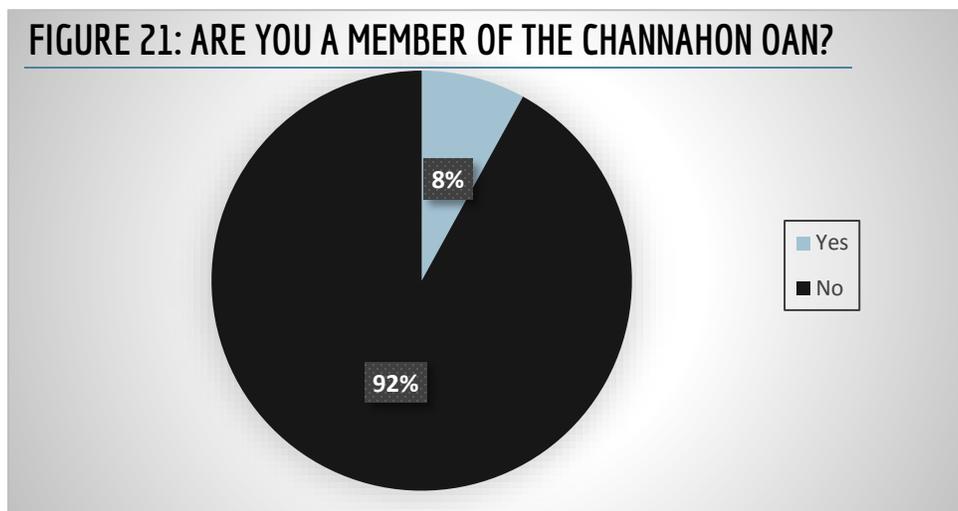
The businesses were asked to pick the top three reasons for locating or keeping their business in Channahon. **25%** of businesses said their top reason for locating or keeping their business in Channahon was because of the access to their customers. **14%** said access to freeways, **14%** said proximity to home and **13%** said quality of life. (**Figure 20**)

FIGURE 20: TOP THREE REASONS FOR LOCATING OR KEEPING YOUR BUSINESS IN CHANNAHON:



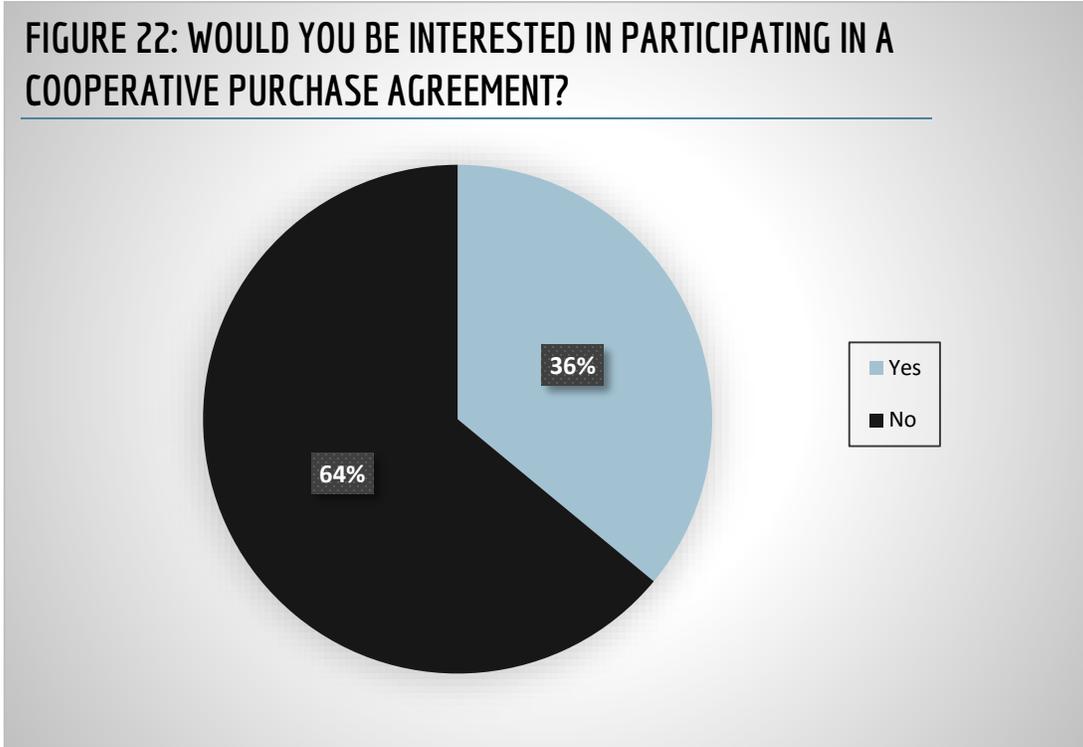
95% of businesses stated that they are not a member of the Channahon Odor Alert Network. While only **8%** stated that they are. (**Figure 21**)

FIGURE 21: ARE YOU A MEMBER OF THE CHANNAHON OAN?



SECTION 7: COOPERATIVE PURCHASE AGREEMENT

64% of businesses interviewed stated that they would not be interested in participating in a cooperative purchasing agreement, while **36%** stated they would be interested in participating. Majority of the businesses stated they would not be interested because their supplies are purchased through corporate. (Figure 22)



96% of businesses stated that they do not buy supplies in Channahon. (Figure 23)

